

SENATE BILL REPORT

SB 5386

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, February 16, 1999

Title: An act relating to the creation of a state plan for economic development.

Brief Description: Creating a state plan for economic development.

Sponsors: Senators Shin, Prentice, T. Sheldon, Jacobsen, Patterson, Benton, Finkbeiner, Spanel, Rasmussen, Goings, Haugen, Snyder, Hargrove, Gardner, Heavey, Winsley, Franklin, Bauer and McAuliffe.

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 2/2/99, 2/16/99 [DPS].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 5386 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Shin, Vice Chair; Benton, Gardner, Hale, Heavey, Rasmussen, T. Sheldon, West and Winsley.

Staff: Dave Cheal (786-7576)

Background: State and local government and the private sector pursue a variety of economic development activities independent of each other. For example both the Department of Community, Trade, and Economic Development and the Department of Agriculture have programs to promote export of Washington products. Numerous commodity commissions promote individual products. Cities and counties have infrastructure development and industrial recruiting plans.

There is no state plan to guide, coordinate, or maximize these efforts.

Summary of Substitute Bill: The Department of Community, Trade, and Economic Development is directed to create an economic development plan for the state by September 15, 2000, and to update the plan every two years thereafter.

The plan must be based on a review of current state and local policies and programs, and include a study of issues such as workforce training, industrial modernization, business retention and recruitment, technology transfer, export assistance, tourism, investment and entrepreneurial development.

The plan must also be based on the plan developed by the Workforce Training and Education Coordinating Board.

In developing the plan, the department is encouraged to analyze economic trends within the state and with regional and primary international trading partners, as well as the economic development programs and policies of other states and nations.

Consultation with the private sector, nonprofit sector, and the academic community is also encouraged.

Substitute Bill Compared to Original Bill: Several topics for inclusion in the plan are added in the substitute bill. They include business retention and recruitment, family wage jobs, and inclusion of the work of the reports of the Workforce Development Coordinating Board. It is made clear that coordination with the private sector means representatives of business and labor.

Appropriation: None.

Fiscal Note: Requested on January 28, 1999.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill encourages coordination with the private sector and the academic community. It provides for continuous updating and accountability through the reporting mechanism. The Department of Community, Trade, and Economic Development has available a great deal of useful information, but not a coordinated, statewide plan. Workforce training is an integral part of economic development and should be included as a consideration.

Testimony Against: None.

Testified: PRO: Trent House, TRIDEC; Scott Taylor, WA Public Ports Assn.; Jean Ameluxen, CTED; Wes Pruitt, WTECB; Robby Stern, WSLC; Don White, WA Assn. of Economic Development Councils.